
By: **Delegate Hixson**

Introduced and read first time: February 8, 2002

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **State Racing Commission Reorganization Act**

3 FOR the purpose of abolishing the State Racing Commission and establishing the
4 Thoroughbred Racing Commission and the Standardbred Racing Commission;
5 providing for the membership, qualifications for members, term, chairman,
6 quorum, meetings, compensation, executive director, staff, certain employees,
7 certain powers, and testing laboratory of the Thoroughbred Racing Commission
8 and of the Standardbred Racing Commission; requiring that licensees and
9 applicants for licenses meet certain requirements of a certain Commission;
10 requiring certain Commissions to issue certain licenses under certain
11 circumstances; authorizing the denial, suspension, or revocation of certain
12 licenses and the reprimanding or other penalizing of certain licensees under
13 certain circumstances; providing for certain adjudicatory proceedings; specifying
14 certain requirements for the buying or transferring of licensees or licenses;
15 providing that the Thoroughbred Racing Commission has certain powers
16 concerning certain types of racing; providing that the Standardbred Racing
17 Commission has certain powers concerning harness racing; specifying the
18 powers and responsibilities of certain Commissions relating to certain intertrack
19 betting; requiring that the Thoroughbred Racing Commission act with the
20 Standardbred Racing Commission to approve facilities, grant permits, adopt
21 regulations, and conduct other activities concerning satellite simulcast betting;
22 providing for the membership of the Board of Directors of the Jockey Fund;
23 specifying certain duties of certain Commissions relating to the Jockey Fund;
24 specifying that certain money be paid to the Standardbred Racing Commission
25 and that the Standardbred Racing Commission use the money for a certain
26 purpose; specifying certain duties of the Thoroughbred Racing Commission and
27 the Standardbred Racing Commission relating to the Maryland Racing Facility
28 Redevelopment Fund; defining certain terms; providing for the initial terms of
29 members of certain Commissions, providing that certain licensees and holders of
30 permits need not obtain a certain license or permit until a certain date;
31 specifying certain transitional provisions relating to a change of nomenclature
32 and the transference of certain property, assets, liabilities, obligations, rights,
33 and privileges; providing for the status and credit for service of certain
34 employees; and generally relating to the Thoroughbred Racing Commission and
35 the Standardbred Racing Commission.

1 BY repealing and reenacting, with amendments,
 2 Article - Business Regulation
 3 Section 11-101; 11-201 through 11-214, inclusive, to be under the amended
 4 subtitle "Subtitle 2. Thoroughbred Racing Commission"; 11-301, 11-303,
 5 11-304, 11-305, 11-307, 11-308, 11-309, 11-310, 11-311, 11-312, 11-313,
 6 11-314, 11-315, 11-316, 11-317, 11-318, 11-501, 11-507, 11-523, 11-529,
 7 11-601, 11-701, 11-801, 11-802, 11-803, 11-804(b) and (c), 11-804.2,
 8 11-805, 11-808(b) and (c), 11-809, 11-811(c), (d), and (e), 11-812, 11-816,
 9 11-817, 11-818, 11-819, 11-820, 11-822, 11-825, 11-829, 11-831, 11-832,
 10 11-904(b), 11-906, 11-909, 11-1202, 11-1203, 11-1206, 11-1207, and
 11 11-1208
 12 Annotated Code of Maryland
 13 (1998 Replacement Volume and 2001 Supplement)

14 BY adding to
 15 Article - Business Regulation
 16 Section 11-2A-01 through 11-2A-14, inclusive, to be under the new subtitle
 17 "Subtitle 2A. Standardbred Racing Commission"
 18 Annotated Code of Maryland
 19 (1998 Replacement Volume and 2001 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
 21 MARYLAND, That the Laws of Maryland read as follows:

22 **Article - Business Regulation**

23 11-101.

24 (a) In this title the following words have the meanings indicated.

25 (b) "Breakage" means the odd cents that remain after all successful bettors
 26 are paid to the next lowest multiple of 10 cents.

27 (c) ["Commission" means the State Racing Commission.

28 (d)] "Handle" means the gross amount, less refunds, of money bet.

29 [(e)] (D) "Harness racing" means the racing of horses that trot or pace in
 30 harness while pulling drivers in sulkies.

31 [(f)] (E) "Intertrack betting" means:

32 (1) pari-mutuel betting at a receiving track in the State on a race that is:

33 (i) held live or by interstate simulcast at a sending track in the
 34 State; and

1 (ii) shown simultaneously by video signal at the receiving track;
2 and

3 (2) transmission of the bets at the receiving track to the sending track.

4 [(g)] (F) "License" means a license issued by the THOROUGHBRED RACING
5 COMMISSION OR BY THE STANDARD BRED RACING Commission to hold a race
6 meeting.

7 [(h)] (G) "Licensee" means a person who has been awarded racing days for the
8 current calendar year.

9 [(i)] (H) "Mile thoroughbred racing" means thoroughbred horse races at a
10 track that is at least 1 mile long.

11 [(j)] (I) "Multiple mutuel pool" means a separate pari-mutuel betting pool in
12 which an interest is represented by a single bet on 2 or more horses.

13 [(k)] (J) "Mutuel pool" includes a multiple mutuel pool and a regular mutuel
14 pool.

15 [(l)] (K) "Pari-mutuel betting" means the system of betting in which those
16 who successfully bet on horses that finish in specified positions share the mutuel pool,
17 less the takeout and the breakage.

18 [(m)] (L) "Purse" means the prize money divided among the owners of horses
19 that finish in specified positions in a race.

20 [(n)] (M) "Race meeting" means a period of time to hold racing that extends
21 between specific dates over a number of racing days at a single track.

22 [(o)] (N) "Racing" includes:

23 (1) harness racing;

24 (2) mile thoroughbred racing;

25 (3) special thoroughbred racing;

26 (4) steeplechase or hurdle racing;

27 (5) flat racing; and

28 (6) quarter horse racing.

29 [(p)] (O) "Receiving track" means a track where pari-mutuel betting is done
30 on races held at another track.

31 [(q)] (P) "Regular mutuel pool" means a separate pari-mutuel betting pool in
32 which an interest is represented by a single bet on 1 horse.

1 [(r)] (Q) "Sending track" means a track where a race is held live or by
2 interstate simulcast and is sent simultaneously by video signal to a receiving track or
3 a satellite simulcast facility under Subtitle 8, Part III of this title.

4 [(s)] (R) "Special thoroughbred racing" means thoroughbred horse racing held
5 by the Maryland State Fair and Agricultural Society, Inc., or the Maryland-National
6 Capital Park and Planning Commission.

7 (S) "STANDARD BRED RACING COMMISSION" MEANS THE COMMISSION
8 ESTABLISHED UNDER § 11-2A-01 OF THIS TITLE.

9 (t) "Takeout" means the part of the handle that is not returned to successful
10 bettors but is otherwise allocated under this title.

11 (u) "THOROUGHBRED RACING COMMISSION" MEANS THE COMMISSION
12 ESTABLISHED UNDER § 11-201 OF THIS TITLE.

13 (V) "Track" means a place where racing is held.

14 Subtitle 2. [State] THOROUGHBRED Racing Commission.
15 11-201.

16 There is a [State] THOROUGHBRED Racing Commission in the Department.

17 11-202.

18 (a) The THOROUGHBRED RACING Commission consists of [9] 5 members,
19 appointed by the Governor with the advice and consent of the Senate.

20 (b) At the time of appointment and qualification:

21 (1) each member shall be:

22 (i) at least 25 years old;

23 (ii) a resident of the State who has resided in the State for at least
24 the last 5 years;

25 (iii) a qualified voter of the State; and

26 (iv) an individual who has not been convicted of a crime that
27 involves moral turpitude; AND

28 (2) at least 3 members of the THOROUGHBRED RACING Commission
29 shall be knowledgeable or experienced in an aspect of thoroughbred racing[; and

30 (3) at least 3 other members shall be knowledgeable or experienced in an
31 aspect of harness racing].

1 (c) (1) A member of the THOROUGHBRED RACING Commission may not hold
2 an official relation to a licensee or hold any stocks, bonds, or other financial interest
3 in a licensee.

4 (2) Not more than [4] 2 members who are appointed after July 1, 1989,
5 may have a financial interest in racing in the State.

6 (3) Not more than [6] 3 members may be of the same political party.

7 (d) Before taking office, each appointee to the THOROUGHBRED RACING
8 Commission shall take the oath required by Article I, § 9 of the Maryland
9 Constitution.

10 (e) (1) The term of a member of the THOROUGHBRED RACING Commission
11 is 4 years and begins on July 1.

12 (2) The terms of members are staggered as required by the terms
13 provided for members of the THOROUGHBRED RACING Commission on October 1,
14 [1992] 2002.

15 (3) At the end of a term, a member continues to serve until a successor is
16 appointed and qualifies.

17 (4) A member who is appointed after a term has begun serves only for
18 the rest of the term and until a successor is appointed and qualifies.

19 (f) (1) Subject to the hearing requirements of this subsection, the Governor,
20 with the advice of the Secretary, may remove a member of the THOROUGHBRED
21 RACING Commission for inefficiency, misconduct in office, or neglect of duty.

22 (2) Before the Governor removes a member, the Governor shall give the
23 member an opportunity for a public hearing.

24 (3) At least 10 days before the hearing, the Governor shall give the
25 member:

26 (i) a copy of the charges; and

27 (ii) notice of the time and place of the hearing.

28 (4) The member may be represented at the hearing by counsel.

29 (5) If the Governor removes a member, the Governor shall submit to the
30 Secretary of State:

31 (i) a statement of all charges made against the member;

32 (ii) the findings of the Governor; and

33 (iii) a record of the proceedings.

1 11-203.

2 (a) The Governor shall designate a chairman from among the members of the
3 THOROUGHBRED RACING Commission.

4 (b) (1) The term of the chairman is 1 year.

5 (2) The chairman may not serve more than 2 consecutive terms as
6 chairman.

7 11-204.

8 (a) Except as provided in § 11-310 of this title, a majority of the members then
9 serving on the THOROUGHBRED RACING Commission is a quorum.

10 (b) The THOROUGHBRED RACING Commission shall meet in the State, at the
11 times and places that the THOROUGHBRED RACING Commission determines.

12 (c) Each member of the THOROUGHBRED RACING Commission is entitled to:

13 (1) compensation in accordance with the State budget; and

14 (2) reimbursement under the Standard State Travel Regulations for
15 expenses for each THOROUGHBRED RACING Commission meeting attended, as
16 provided in the State budget.

17 (d) While in office, each member of the THOROUGHBRED RACING Commission
18 shall be covered by a surety bond in the form and amount required by law.

19 (e) (1) On request of the THOROUGHBRED RACING Commission, each
20 member of the THOROUGHBRED RACING Commission shall provide the
21 THOROUGHBRED RACING Commission with the individual's fingerprints.

22 (2) The fingerprints shall be taken by a representative of a law
23 enforcement agency of the State or federal government, an employee of the
24 THOROUGHBRED RACING Commission, or a qualified private security agency that the
25 THOROUGHBRED RACING Commission designates.

26 11-205.

27 (a) (1) With the approval of the Governor, the Secretary shall appoint an
28 executive director for the THOROUGHBRED RACING Commission from a list of at least
29 3 nominees submitted by the THOROUGHBRED RACING Commission.

30 (2) The executive director is in the executive service in the State
31 Personnel Management System and serves at the pleasure of the Secretary.

32 (b) The executive director shall:

33 (1) collect the taxes and fees imposed under this title or regulations
34 adopted by the THOROUGHBRED RACING Commission;

1 (2) keep the records and papers of the THOROUGHBRED RACING
2 Commission, including a record of each proceeding;

3 (3) administer the licensing of individuals who work in connection with
4 [racing] MILE THOROUGHBRED RACING, SPECIAL THOROUGHBRED RACING, OR
5 RACING AT FAIR HILL;

6 (4) prepare, issue, and submit reports of the THOROUGHBRED RACING
7 Commission;

8 (5) administer the daily operation of the office of the THOROUGHBRED
9 RACING Commission; and

10 (6) perform any other duty that the THOROUGHBRED RACING
11 Commission directs.

12 (c) With the approval of the THOROUGHBRED RACING Commission, the
13 executive director shall set the conditions under which a licensee must add to, change,
14 make a reasonable improvement to, or repair property that a licensee owns or leases
15 for racing.

16 (d) The executive director is entitled to:

17 (1) compensation in accordance with the State budget; and

18 (2) reimbursement for expenses under the Standard State Travel
19 Regulations, as provided in the State budget.

20 (e) (1) On request of the THOROUGHBRED RACING Commission, the
21 executive director shall provide the THOROUGHBRED RACING Commission with the
22 individual's fingerprints.

23 (2) The fingerprints shall be taken by a representative of a law
24 enforcement agency of the State or federal government, an employee of the
25 THOROUGHBRED RACING Commission, or a qualified private security agency that the
26 THOROUGHBRED RACING Commission designates.

27 11-206.

28 (a) With the approval of the THOROUGHBRED RACING Commission and,
29 except as otherwise provided by law, subject to the provisions of the State Personnel
30 and Pensions Article, the executive director shall appoint a staff of the
31 THOROUGHBRED RACING Commission.

32 (b) (1) The THOROUGHBRED RACING Commission may employ 4 stewards
33 [and 4 harness judges].

34 (2) The stewards [and harness judges] shall be recommended by the
35 executive director.

1 (3) Each licensee and organization that represents owners and trainers
2 may recommend individuals to the THOROUGHBRED RACING Commission and
3 executive director for appointment as stewards [or harness judges].

4 (4) The stewards [and harness judges] are special appointments of the
5 skilled service or the professional service in the State Personnel Management
6 System.

7 (c) Each member of the staff of the THOROUGHBRED RACING Commission[,]
8 AND steward[, and harness judge] is entitled to:

9 (1) compensation in accordance with the State budget; and

10 (2) reimbursement for expenses under the Standard State Travel
11 Regulations, as provided in the State budget.

12 (d) An individual who holds a position under the THOROUGHBRED RACING
13 Commission may not hold an official relation to a licensee or hold any stocks, bonds,
14 or other financial interest in a licensee.

15 (e) (1) On request of the THOROUGHBRED RACING Commission, each
16 employee of the THOROUGHBRED RACING Commission shall provide the
17 THOROUGHBRED RACING Commission with the individual's fingerprints.

18 (2) The fingerprints shall be taken by a representative of a law
19 enforcement agency of the State or federal government, an employee of the
20 THOROUGHBRED RACING Commission, or a qualified private security agency that the
21 THOROUGHBRED RACING Commission designates.

22 11-207.

23 (a) On the recommendation of the executive director, the THOROUGHBRED
24 RACING Commission may employ additional employees or agents, including auditors,
25 experts, guards, inspectors, [a breathalyzer operator at each harness racing track,]
26 scientists, THOROUGHBRED RACING Commission secretaries, specimen collectors,
27 veterinarians, and others whom the THOROUGHBRED RACING Commission considers
28 to be essential at or in connection with a race meeting in the best interests of racing.

29 (b) The licensee who holds the race meeting for which an additional employee
30 is used shall pay:

31 (1) the employer contribution for the employee under the Employees'
32 Pension System;

33 (2) the employer contribution, as determined by the Department of
34 Budget and Management, for the retiree under § 2-508 of the State Personnel and
35 Pensions Article; and

36 (3) an amount required under § 23-306.1(b) of the State Personnel and
37 Pensions Article, if any.

1 (c) A licensee who holds a race meeting shall employ and pay the officials at
2 the race meeting, other than stewards [and harness judges], including each clerk of
3 the course, clerk of the scales, handicapper, paddock judge, patrol judge, placing
4 judge, racing secretary, starter, assistant starter, and timer.

5 (d) (1) On request of the THOROUGHBRED RACING Commission, each
6 additional employee and track employee shall provide the THOROUGHBRED RACING
7 Commission with the individual's fingerprints.

8 (2) The fingerprints shall be taken by a representative of a law
9 enforcement agency of the State or federal government, an employee of the
10 THOROUGHBRED RACING Commission, or a qualified private security agency that the
11 THOROUGHBRED RACING Commission designates.

12 (e) Notwithstanding any other provision of this title, if a licensee is required
13 to allocate 0.25% of handle to [either] the Maryland Race Track Employees Pension
14 Fund [or the Maryland Harness Track Employees Pension Fund], the licensee shall
15 first pay from the allocation any amounts required to be paid by the licensee under
16 subsection (b) of this section and the remainder shall be paid to the appropriate
17 pension fund.

18 11-208.

19 (a) Each law enforcement officer shall cooperate with the THOROUGHBRED
20 RACING Commission to enforce this title.

21 (b) On request of the THOROUGHBRED RACING Commission, the Governor
22 may order the Police Commissioner of Baltimore City or the sheriff of a county to
23 assign enough law enforcement officers to prevent unauthorized racing.

24 11-209.

25 (a) Besides its other powers under this title, the THOROUGHBRED RACING
26 Commission has the powers necessary or proper to carry out fully all the purposes of
27 this title THAT INVOLVE MILE THOROUGHBRED RACING, SPECIAL THOROUGHBRED
28 RACING, OR RACING AT FAIR HILL.

29 (b) The jurisdiction, supervision, powers, and duties of the THOROUGHBRED
30 RACING Commission extend to each person who holds racing for a purse, reward, or
31 stake.

32 11-210.

33 (a) Except as provided in subsection (b) of this section, the THOROUGHBRED
34 RACING Commission may:

35 (1) adopt regulations and conditions to govern racing and betting on
36 [racing in the State] MILE THOROUGHBRED RACING, SPECIAL THOROUGHBRED
37 RACING, OR RACING AT FAIR HILL; and

1 (2) approve or disapprove:

2 (i) prices that a licensee may set for:

3 1. admission to [a race]A MILE THOROUGHBRED RACE, A
4 SPECIAL THOROUGHBRED RACE, OR A RACE AT FAIR HILL;

5 2. a service performed; or

6 3. an article sold at a track; and

7 (ii) the size of the purse, reward, or stake to be offered at a [race]
8 MILE THOROUGHBRED RACE, SPECIAL THOROUGHBRED RACE, OR A RACE AT FAIR
9 HILL.

10 (b) The THOROUGHBRED RACING Commission may not adopt regulations that
11 allow:

12 (1) racing a breed of horse not now authorized by law; or

13 (2) holding currently unauthorized:

14 (i) intertrack betting;

15 (ii) off-track betting; or

16 (iii) telephone betting other than telephone account betting.

17 11-211.

18 (a) The THOROUGHBRED RACING Commission may:

19 (1) enter or investigate the office, track, or place of business of a licensee
20 to ensure that the regulations of the THOROUGHBRED RACING Commission are
21 strictly complied with; and

22 (2) place an expert accountant or other individual in the office, track, or
23 place of business of a licensee and require that the licensee pay the salary and
24 expenses of the expert accountant or other individual.

25 (b) The THOROUGHBRED RACING Commission may require that an employee
26 or official of the licensee be removed from the job.

27 (c) The THOROUGHBRED RACING Commission may require that a licensee
28 keep financial records in the way that the THOROUGHBRED RACING Commission
29 determines.

30 (d) The THOROUGHBRED RACING Commission may administer oaths.

31 (e) The THOROUGHBRED RACING Commission may issue a subpoena for the
32 attendance of a witness to testify or to produce evidence.

1 11-212.

2 (a) The THOROUGHBRED RACING Commission may maintain a testing
3 laboratory and have tests done elsewhere.

4 (b) (1) Each licensee shall pay a fraction of the yearly costs of the testing
5 laboratory and of the tests done elsewhere.

6 (2) The numerator of the fraction shall be the number of racing days
7 with pari-mutuel betting privileges that the licensee holds during the year.

8 (3) The denominator of the fraction shall be the whole number of racing
9 days with pari-mutuel betting privileges held in the State during the year.

10 11-213.

11 (a) On or before September 15 of each year, the THOROUGHBRED RACING
12 Commission shall submit a report to the Secretary and the Legislative Policy
13 Committee about the preceding calendar year.

14 (b) Each report shall include:

15 (1) a statement of receipts and disbursements of the THOROUGHBRED
16 RACING Commission;

17 (2) a summary of major events that occurred the preceding year that
18 affected MILE THOROUGHBRED AND SPECIAL THOROUGHBRED [horse] racing in the
19 State AND RACING AT FAIR HILL, including any significant changes at tracks in the
20 region as well as a discussion of legislative initiatives in the State;

21 (3) a 5-year assessment of each MILE THOROUGHBRED track, SPECIAL
22 THOROUGHBRED TRACK, AND THE TRACK AT FAIR HILL regarding:

23 (i) attendance;

24 (ii) purse distributions;

25 (iii) live racing days that are allocated and used;

26 (iv) betting on live racing that is held at that track broken down by
27 the following categories:

28 1. betting conducted at the live track;

29 2. betting conducted at other Maryland tracks;

30 3. betting conducted at satellite simulcast facilities in the
31 State; and

32 4. betting conducted through out-of-state satellite
33 simulcasting;

1 (v) betting that is conducted at the live track on races simulcast
2 from other tracks in the State; and

3 (vi) betting that is conducted at the live track on races simulcast
4 from out-of-state tracks;

5 (4) information on all simulcast betting at satellite simulcast facilities in
6 the State, including information on how much is wagered on in-state races and how
7 much is bet on out-of-state races;

8 (5) information on all simulcast betting that is conducted out-of-state on
9 races being run live in this State;

10 (6) to the extent available, information on the THOROUGHBRED breeding
11 industry in the State, including:

12 (i) the number of breeders in the State;

13 (ii) the number of foals registered in the State;

14 (iii) the average sales prices of foals; and

15 (iv) any other information pertaining to the regional and national
16 ranking of the State for breeding;

17 (7) all other information that is currently provided by the
18 THOROUGHBRED RACING Commission in its annual report;

19 (8) additional information on satellite simulcast facilities, as required
20 under § 11-831 of this title; and

21 (9) any other information that is useful in explaining the financial
22 viability of horse racing in the State and any recommendations to improve the
23 industry.

24 11-214.

25 The THOROUGHBRED RACING Commission exercises its powers and performs its
26 duties subject to the authority of the Secretary.

27 SUBTITLE 2A. STANDARDBRED RACING COMMISSION.

28 11-2A-01.

29 THERE IS A STANDARDBRED RACING COMMISSION IN THE DEPARTMENT.

30 11-2A-02.

31 (A) THE STANDARDBRED RACING COMMISSION CONSISTS OF 5 MEMBERS,
32 APPOINTED BY THE GOVERNOR WITH THE ADVICE AND CONSENT OF THE SENATE.

1 (B) AT THE TIME OF APPOINTMENT AND QUALIFICATION:

2 (1) EACH MEMBER SHALL BE:

3 (I) AT LEAST 25 YEARS OLD;

4 (II) A RESIDENT OF THE STATE WHO HAS RESIDED IN THE STATE
5 FOR AT LEAST THE LAST 5 YEARS;

6 (III) A QUALIFIED VOTER OF THE STATE; AND

7 (IV) AN INDIVIDUAL WHO HAS NOT BEEN CONVICTED OF A CRIME
8 THAT INVOLVES MORAL TURPITUDE; AND

9 (2) AT LEAST 3 MEMBERS OF THE STANDARD BRED RACING COMMISSION
10 SHALL BE KNOWLEDGEABLE OR EXPERIENCED IN AN ASPECT OF HARNESS RACING.

11 (C) (1) A MEMBER OF THE STANDARD BRED RACING COMMISSION MAY NOT
12 HOLD AN OFFICIAL RELATION TO A LICENSEE OR HOLD ANY STOCKS, BONDS, OR
13 OTHER FINANCIAL INTEREST IN A LICENSEE.

14 (2) NOT MORE THAN 2 MEMBERS WHO ARE APPOINTED AFTER JULY 1,
15 1989, MAY HAVE A FINANCIAL INTEREST IN RACING IN THE STATE.

16 (3) NOT MORE THAN 3 MEMBERS MAY BE OF THE SAME POLITICAL
17 PARTY.

18 (D) BEFORE TAKING OFFICE, EACH APPOINTEE TO THE STANDARD BRED
19 RACING COMMISSION SHALL TAKE THE OATH REQUIRED BY ARTICLE I, § 9 OF THE
20 MARYLAND CONSTITUTION.

21 (E) (1) THE TERM OF A MEMBER OF THE STANDARD BRED RACING
22 COMMISSION IS 4 YEARS AND BEGINS ON JULY 1.

23 (2) THE TERMS OF MEMBERS ARE STAGGERED AS REQUIRED BY THE
24 TERMS PROVIDED FOR MEMBERS OF THE STANDARD BRED RACING COMMISSION ON
25 OCTOBER 1, 2002.

26 (3) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A
27 SUCCESSOR IS APPOINTED AND QUALIFIES.

28 (4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES
29 ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND
30 QUALIFIES.

31 (F) (1) SUBJECT TO THE HEARING REQUIREMENTS OF THIS SUBSECTION,
32 THE GOVERNOR, WITH THE ADVICE OF THE SECRETARY, MAY REMOVE A MEMBER OF
33 THE STANDARD BRED RACING COMMISSION FOR INEFFICIENCY, MISCONDUCT IN
34 OFFICE, OR NEGLIGENCE OF DUTY.

1 (2) BEFORE THE GOVERNOR REMOVES A MEMBER, THE GOVERNOR
2 SHALL GIVE THE MEMBER AN OPPORTUNITY FOR A PUBLIC HEARING.

3 (3) AT LEAST 10 DAYS BEFORE THE HEARING, THE GOVERNOR SHALL
4 GIVE THE MEMBER:

5 (I) A COPY OF THE CHARGES; AND

6 (II) NOTICE OF THE TIME AND PLACE OF THE HEARING.

7 (4) THE MEMBER MAY BE REPRESENTED AT THE HEARING BY COUNSEL.

8 (5) IF THE GOVERNOR REMOVES A MEMBER, THE GOVERNOR SHALL
9 SUBMIT TO THE SECRETARY OF STATE:

10 (I) A STATEMENT OF ALL CHARGES MADE AGAINST THE MEMBER;

11 (II) THE FINDINGS OF THE GOVERNOR; AND

12 (III) A RECORD OF THE PROCEEDINGS.

13 11-2A-03.

14 (A) THE GOVERNOR SHALL DESIGNATE A CHAIRMAN FROM AMONG THE
15 MEMBERS OF THE STANDARD BRED RACING COMMISSION.

16 (B) (1) THE TERM OF THE CHAIRMAN IS 1 YEAR.

17 (2) THE CHAIRMAN MAY NOT SERVE MORE THAN 2 CONSECUTIVE
18 TERMS AS CHAIRMAN.

19 11-2A-04.

20 (A) EXCEPT AS PROVIDED IN § 11-310 OF THIS TITLE, A MAJORITY OF THE
21 MEMBERS THEN SERVING ON THE STANDARD BRED RACING COMMISSION IS A
22 QUORUM.

23 (B) THE STANDARD BRED RACING COMMISSION SHALL MEET IN THE STATE,
24 AT THE TIMES AND PLACES THAT THE STANDARD BRED RACING COMMISSION
25 DETERMINES.

26 (C) EACH MEMBER OF THE STANDARD BRED RACING COMMISSION IS
27 ENTITLED TO:

28 (1) COMPENSATION IN ACCORDANCE WITH THE STATE BUDGET; AND

29 (2) REIMBURSEMENT UNDER THE STANDARD STATE TRAVEL
30 REGULATIONS FOR EXPENSES FOR EACH STANDARD BRED RACING COMMISSION
31 MEETING ATTENDED, AS PROVIDED IN THE STATE BUDGET.

1 (D) WHILE IN OFFICE, EACH MEMBER OF THE STANDARD BRED RACING
2 COMMISSION SHALL BE COVERED BY A SURETY BOND IN THE FORM AND AMOUNT
3 REQUIRED BY LAW.

4 (E) (1) ON REQUEST OF THE STANDARD BRED RACING COMMISSION, EACH
5 MEMBER OF THE STANDARD BRED RACING COMMISSION SHALL PROVIDE THE
6 STANDARD BRED RACING COMMISSION WITH THE INDIVIDUAL'S FINGERPRINTS.

7 (2) THE FINGERPRINTS SHALL BE TAKEN BY A REPRESENTATIVE OF A
8 LAW ENFORCEMENT AGENCY OF THE STATE OR FEDERAL GOVERNMENT, AN
9 EMPLOYEE OF THE STANDARD BRED RACING COMMISSION, OR A QUALIFIED PRIVATE
10 SECURITY AGENCY THAT THE STANDARD BRED RACING COMMISSION DESIGNATES.

11 11-2A-05.

12 (A) (1) WITH THE APPROVAL OF THE GOVERNOR, THE SECRETARY SHALL
13 APPOINT AN EXECUTIVE DIRECTOR FOR THE STANDARD BRED RACING COMMISSION
14 FROM A LIST OF AT LEAST 3 NOMINEES SUBMITTED BY THE STANDARD BRED RACING
15 COMMISSION.

16 (2) THE EXECUTIVE DIRECTOR IS IN THE EXECUTIVE SERVICE IN THE
17 STATE PERSONNEL MANAGEMENT SYSTEM AND SERVES AT THE PLEASURE OF THE
18 SECRETARY.

19 (B) THE EXECUTIVE DIRECTOR SHALL:

20 (1) COLLECT THE TAXES AND FEES IMPOSED UNDER THIS TITLE OR
21 REGULATIONS ADOPTED BY THE STANDARD BRED RACING COMMISSION;

22 (2) KEEP THE RECORDS AND PAPERS OF THE STANDARD BRED RACING
23 COMMISSION, INCLUDING A RECORD OF EACH PROCEEDING;

24 (3) ADMINISTER THE LICENSING OF INDIVIDUALS WHO WORK IN
25 CONNECTION WITH STANDARD BRED RACING;

26 (4) PREPARE, ISSUE, AND SUBMIT REPORTS OF THE STANDARD BRED
27 RACING COMMISSION;

28 (5) ADMINISTER THE DAILY OPERATION OF THE OFFICE OF THE
29 STANDARD BRED RACING COMMISSION; AND

30 (6) PERFORM ANY OTHER DUTY THAT THE STANDARD BRED RACING
31 COMMISSION DIRECTS.

32 (C) WITH THE APPROVAL OF THE STANDARD BRED RACING COMMISSION, THE
33 EXECUTIVE DIRECTOR SHALL SET THE CONDITIONS UNDER WHICH A LICENSEE
34 MUST ADD TO, CHANGE, MAKE A REASONABLE IMPROVEMENT TO, OR REPAIR
35 PROPERTY THAT A LICENSEE OWNS OR LEASES FOR STANDARD BRED RACING.

36 (D) THE EXECUTIVE DIRECTOR IS ENTITLED TO:

1 (1) COMPENSATION IN ACCORDANCE WITH THE STATE BUDGET; AND

2 (2) REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE
3 TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

4 (E) (1) ON REQUEST OF THE STANDARDBRED RACING COMMISSION, THE
5 EXECUTIVE DIRECTOR SHALL PROVIDE THE STANDARDBRED RACING COMMISSION
6 WITH THE INDIVIDUAL'S FINGERPRINTS.

7 (2) THE FINGERPRINTS SHALL BE TAKEN BY A REPRESENTATIVE OF A
8 LAW ENFORCEMENT AGENCY OF THE STATE OR FEDERAL GOVERNMENT, AN
9 EMPLOYEE OF THE STANDARDBRED RACING COMMISSION, OR A QUALIFIED PRIVATE
10 SECURITY AGENCY THAT THE STANDARDBRED RACING COMMISSION DESIGNATES.

11 11-2A-06.

12 (A) WITH THE APPROVAL OF THE STANDARDBRED RACING COMMISSION AND,
13 EXCEPT AS OTHERWISE PROVIDED BY LAW, SUBJECT TO THE PROVISIONS OF THE
14 STATE PERSONNEL AND PENSIONS ARTICLE, THE EXECUTIVE DIRECTOR SHALL
15 APPOINT A STAFF OF THE STANDARDBRED RACING COMMISSION.

16 (B) (1) THE STANDARDBRED RACING COMMISSION MAY EMPLOY 4 HARNESS
17 JUDGES.

18 (2) THE HARNESS JUDGES SHALL BE RECOMMENDED BY THE
19 EXECUTIVE DIRECTOR.

20 (3) EACH LICENSEE AND ORGANIZATION THAT REPRESENTS OWNERS
21 AND TRAINERS MAY RECOMMEND INDIVIDUALS TO THE STANDARDBRED RACING
22 COMMISSION AND EXECUTIVE DIRECTOR FOR APPOINTMENT AS HARNESS JUDGES.

23 (4) THE HARNESS JUDGES ARE SPECIAL APPOINTMENTS OF THE
24 SKILLED SERVICE OR THE PROFESSIONAL SERVICE IN THE STATE PERSONNEL
25 MANAGEMENT SYSTEM.

26 (C) EACH MEMBER OF THE STAFF OF THE STANDARDBRED RACING
27 COMMISSION AND HARNESS JUDGE IS ENTITLED TO:

28 (1) COMPENSATION IN ACCORDANCE WITH THE STATE BUDGET; AND

29 (2) REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE
30 TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

31 (D) AN INDIVIDUAL WHO HOLDS A POSITION UNDER THE STANDARDBRED
32 RACING COMMISSION MAY NOT HOLD AN OFFICIAL RELATION TO A LICENSEE OR
33 HOLD ANY STOCKS, BONDS, OR OTHER FINANCIAL INTEREST IN A LICENSEE.

34 (E) (1) ON REQUEST OF THE STANDARDBRED RACING COMMISSION, EACH
35 EMPLOYEE OF THE STANDARDBRED RACING COMMISSION SHALL PROVIDE THE
36 STANDARDBRED RACING COMMISSION WITH THE INDIVIDUAL'S FINGERPRINTS.

1 (2) THE FINGERPRINTS SHALL BE TAKEN BY A REPRESENTATIVE OF A
2 LAW ENFORCEMENT AGENCY OF THE STATE OR FEDERAL GOVERNMENT, AN
3 EMPLOYEE OF THE STANDARD BRED RACING COMMISSION, OR A QUALIFIED PRIVATE
4 SECURITY AGENCY THAT THE STANDARD BRED RACING COMMISSION DESIGNATES.

5 11-2A-07.

6 (A) ON THE RECOMMENDATION OF THE EXECUTIVE DIRECTOR, THE
7 STANDARD BRED RACING COMMISSION MAY EMPLOY ADDITIONAL EMPLOYEES OR
8 AGENTS, INCLUDING AUDITORS, EXPERTS, GUARDS, INSPECTORS, A BREATHALYZER
9 OPERATOR AT EACH HARNESS RACING TRACK, SCIENTISTS, STANDARD BRED RACING
10 COMMISSION SECRETARIES, SPECIMEN COLLECTORS, VETERINARIANS, AND OTHERS
11 WHOM THE STANDARD BRED RACING COMMISSION CONSIDERS TO BE ESSENTIAL AT
12 OR IN CONNECTION WITH A RACE MEETING IN THE BEST INTERESTS OF RACING.

13 (B) THE LICENSEE WHO HOLDS THE RACE MEETING FOR WHICH AN
14 ADDITIONAL EMPLOYEE IS USED SHALL PAY:

15 (1) THE EMPLOYER CONTRIBUTION FOR THE EMPLOYEE UNDER THE
16 EMPLOYEES' PENSION SYSTEM;

17 (2) THE EMPLOYER CONTRIBUTION, AS DETERMINED BY THE
18 DEPARTMENT OF BUDGET AND MANAGEMENT, FOR THE RETIREE UNDER § 2-508 OF
19 THE STATE PERSONNEL AND PENSIONS ARTICLE; AND

20 (3) AN AMOUNT REQUIRED UNDER § 23-306.1(B) OF THE STATE
21 PERSONNEL AND PENSIONS ARTICLE, IF ANY.

22 (C) A LICENSEE WHO HOLDS A RACE MEETING SHALL EMPLOY AND PAY THE
23 OFFICIALS AT THE RACE MEETING, OTHER THAN HARNESS JUDGES, INCLUDING
24 EACH CLERK OF THE COURSE, CLERK OF THE SCALES, HANDICAPPER, PADDOCK
25 JUDGE, PATROL JUDGE, PLACING JUDGE, RACING SECRETARY, STARTER, ASSISTANT
26 STARTER, AND TIMER.

27 (D) (1) ON REQUEST OF THE STANDARD BRED RACING COMMISSION, EACH
28 ADDITIONAL EMPLOYEE AND TRACK EMPLOYEE SHALL PROVIDE THE
29 STANDARD BRED RACING COMMISSION WITH THE INDIVIDUAL'S FINGERPRINTS.

30 (2) THE FINGERPRINTS SHALL BE TAKEN BY A REPRESENTATIVE OF A
31 LAW ENFORCEMENT AGENCY OF THE STATE OR FEDERAL GOVERNMENT, AN
32 EMPLOYEE OF THE STANDARD BRED RACING COMMISSION, OR A QUALIFIED PRIVATE
33 SECURITY AGENCY THAT THE STANDARD BRED RACING COMMISSION DESIGNATES.

34 (E) NOTWITHSTANDING ANY OTHER PROVISION OF THIS TITLE, IF A
35 LICENSEE IS REQUIRED TO ALLOCATE 0.25% OF HANDLE TO THE MARYLAND
36 HARNESS TRACK EMPLOYEES PENSION FUND, THE LICENSEE SHALL FIRST PAY
37 FROM THE ALLOCATION ANY AMOUNTS REQUIRED TO BE PAID BY THE LICENSEE
38 UNDER SUBSECTION (B) OF THIS SECTION AND THE REMAINDER SHALL BE PAID TO
39 THE APPROPRIATE PENSION FUND.

1 11-2A-08.

2 (A) EACH LAW ENFORCEMENT OFFICER SHALL COOPERATE WITH THE
3 STANDARDBRED RACING COMMISSION TO ENFORCE THIS TITLE.

4 (B) ON REQUEST OF THE STANDARDBRED RACING COMMISSION, THE
5 GOVERNOR MAY ORDER THE POLICE COMMISSIONER OF BALTIMORE CITY OR THE
6 SHERIFF OF A COUNTY TO ASSIGN ENOUGH LAW ENFORCEMENT OFFICERS TO
7 PREVENT UNAUTHORIZED RACING.

8 11-2A-09.

9 (A) BESIDES ITS OTHER POWERS UNDER THIS TITLE, THE STANDARDBRED
10 RACING COMMISSION HAS THE POWERS NECESSARY OR PROPER TO CARRY OUT
11 FULLY ALL THE PURPOSES OF THIS TITLE THAT INVOLVE HARNESS RACING.

12 (B) THE JURISDICTION, SUPERVISION, POWERS, AND DUTIES OF THE
13 STANDARDBRED RACING COMMISSION EXTEND TO EACH PERSON WHO HOLDS
14 RACING FOR A PURSE, REWARD, OR STAKE.

15 11-2A-10.

16 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THE
17 STANDARDBRED RACING COMMISSION MAY:

18 (1) ADOPT REGULATIONS AND CONDITIONS TO GOVERN RACING AND
19 BETTING ON HARNESS RACING IN THE STATE; AND

20 (2) APPROVE OR DISAPPROVE:

21 (I) PRICES THAT A LICENSEE MAY SET FOR ADMISSION TO A RACE,
22 A SERVICE PERFORMED, OR AN ARTICLE SOLD AT A HARNESS TRACK; AND

23 (II) THE SIZE OF THE PURSE, REWARD, OR STAKE TO BE OFFERED
24 AT A HARNESS RACE.

25 (B) THE STANDARDBRED RACING COMMISSION MAY NOT ADOPT
26 REGULATIONS THAT ALLOW:

27 (1) RACING A BREED OF HORSE NOT NOW AUTHORIZED BY LAW; OR

28 (2) HOLDING CURRENTLY UNAUTHORIZED:

29 (I) INTERTRACK BETTING;

30 (II) OFF-TRACK BETTING; OR

31 (III) TELEPHONE BETTING OTHER THAN TELEPHONE ACCOUNT
32 BETTING.

1 11-2A-11.

2 (A) THE STANDARD BRED RACING COMMISSION MAY:

3 (1) ENTER OR INVESTIGATE THE OFFICE, TRACK, OR PLACE OF
4 BUSINESS OF A LICENSEE TO ENSURE THAT THE REGULATIONS OF THE
5 STANDARD BRED RACING COMMISSION ARE STRICTLY COMPLIED WITH; AND

6 (2) PLACE AN EXPERT ACCOUNTANT OR OTHER INDIVIDUAL IN THE
7 OFFICE, TRACK, OR PLACE OF BUSINESS OF A LICENSEE AND REQUIRE THAT THE
8 LICENSEE PAY THE SALARY AND EXPENSES OF THE EXPERT ACCOUNTANT OR OTHER
9 INDIVIDUAL.

10 (B) THE STANDARD BRED RACING COMMISSION MAY REQUIRE THAT AN
11 EMPLOYEE OR OFFICIAL OF THE LICENSEE BE REMOVED FROM THE JOB.

12 (C) THE STANDARD BRED RACING COMMISSION MAY REQUIRE THAT A
13 LICENSEE KEEP FINANCIAL RECORDS IN THE WAY THAT THE STANDARD BRED
14 RACING COMMISSION DETERMINES.

15 (D) THE STANDARD BRED RACING COMMISSION MAY ADMINISTER OATHS.

16 (E) THE STANDARD BRED RACING COMMISSION MAY ISSUE A SUBPOENA FOR
17 THE ATTENDANCE OF A WITNESS TO TESTIFY OR TO PRODUCE EVIDENCE.

18 11-2A-12.

19 (A) THE STANDARD BRED RACING COMMISSION MAY MAINTAIN A TESTING
20 LABORATORY AND HAVE TESTS DONE ELSEWHERE.

21 (B) (1) EACH LICENSEE SHALL PAY A FRACTION OF THE YEARLY COSTS OF
22 THE TESTING LABORATORY AND OF THE TESTS DONE ELSEWHERE.

23 (2) THE NUMERATOR OF THE FRACTION SHALL BE THE NUMBER OF
24 RACING DAYS WITH PARI-MUTUEL BETTING PRIVILEGES THAT THE LICENSEE
25 HOLDS DURING THE YEAR.

26 (3) THE DENOMINATOR OF THE FRACTION SHALL BE THE WHOLE
27 NUMBER OF RACING DAYS WITH PARI-MUTUEL BETTING PRIVILEGES HELD IN THE
28 STATE DURING THE YEAR.

29 11-2A-13.

30 (A) ON OR BEFORE SEPTEMBER 15 OF EACH YEAR, THE STANDARD BRED
31 RACING COMMISSION SHALL SUBMIT A REPORT TO THE SECRETARY AND THE
32 LEGISLATIVE POLICY COMMITTEE ABOUT THE PRECEDING CALENDAR YEAR.

33 (B) EACH REPORT SHALL INCLUDE:

34 (1) A STATEMENT OF RECEIPTS AND DISBURSEMENTS OF THE
35 STANDARD BRED RACING COMMISSION;

1 (2) A SUMMARY OF MAJOR EVENTS THAT OCCURRED THE PRECEDING
2 YEAR THAT AFFECTED HARNESS RACING IN THE STATE, INCLUDING ANY
3 SIGNIFICANT CHANGES AT TRACKS IN THE REGION AS WELL AS A DISCUSSION OF
4 LEGISLATIVE INITIATIVES IN THE STATE;

5 (3) A 5-YEAR ASSESSMENT OF EACH HARNESS TRACK, REGARDING:

6 (I) ATTENDANCE;

7 (II) PURSE DISTRIBUTIONS;

8 (III) LIVE RACING DAYS THAT ARE ALLOCATED AND USED;

9 (IV) BETTING ON LIVE RACING THAT IS HELD AT THAT TRACK
10 BROKEN DOWN BY THE FOLLOWING CATEGORIES:

11 1. BETTING CONDUCTED AT THE LIVE TRACK;

12 2. BETTING CONDUCTED AT OTHER MARYLAND TRACKS;

13 3. BETTING CONDUCTED AT SATELLITE SIMULCAST
14 FACILITIES IN THE STATE; AND

15 4. BETTING CONDUCTED THROUGH OUT-OF-STATE
16 SATELLITE SIMULCASTING;

17 (V) BETTING THAT IS CONDUCTED AT THE LIVE TRACK ON RACES
18 SIMULCAST FROM OTHER TRACKS IN THE STATE; AND

19 (VI) BETTING THAT IS CONDUCTED AT THE LIVE TRACK ON RACES
20 SIMULCAST FROM OUT-OF-STATE TRACKS;

21 (4) INFORMATION ON ALL SIMULCAST BETTING AT SATELLITE
22 SIMULCAST FACILITIES IN THE STATE, INCLUDING INFORMATION ON HOW MUCH IS
23 WAGERED ON IN-STATE RACES AND HOW MUCH IS BET ON OUT-OF-STATE RACES;

24 (5) INFORMATION ON ALL SIMULCAST BETTING THAT IS CONDUCTED
25 OUT-OF-STATE ON RACES BEING RUN LIVE IN THIS STATE;

26 (6) TO THE EXTENT AVAILABLE, INFORMATION ON THE HARNESS
27 BREEDING INDUSTRY IN THE STATE, INCLUDING:

28 (I) THE NUMBER OF BREEDERS IN THE STATE;

29 (II) THE NUMBER OF FOALS REGISTERED IN THE STATE;

30 (III) THE AVERAGE SALES PRICES OF FOALS; AND

31 (IV) ANY OTHER INFORMATION PERTAINING TO THE REGIONAL
32 AND NATIONAL RANKING OF THE STATE FOR BREEDING;

1 (7) ALL OTHER INFORMATION THAT IS CURRENTLY PROVIDED BY THE
2 STANDARDBRED RACING COMMISSION IN ITS ANNUAL REPORT;

3 (8) ADDITIONAL INFORMATION ON SATELLITE SIMULCAST FACILITIES,
4 AS REQUIRED UNDER § 11-831 OF THIS TITLE; AND

5 (9) ANY OTHER INFORMATION THAT IS USEFUL IN EXPLAINING THE
6 FINANCIAL VIABILITY OF HORSE RACING IN THE STATE AND ANY
7 RECOMMENDATIONS TO IMPROVE THE INDUSTRY.

8 11-2A-14.

9 THE THOROUGHBRED RACING COMMISSION EXERCISES ITS POWERS AND
10 PERFORMS ITS DUTIES SUBJECT TO THE AUTHORITY OF THE SECRETARY.

11 11-301.

12 (A) In this subtitle[, "beneficial] THE FOLLOWING WORDS HAVE THE
13 MEANINGS INDICATED.

14 (B) "APPROPRIATE COMMISSION" MEANS:

15 (1) FOR A PERSON WHO HOLDS A LICENSE TO CONDUCT MILE
16 THOROUGHBRED RACING, SPECIAL THOROUGHBRED RACING, OR RACING AT FAIR
17 HILL, OR FOR AN APPLICANT FOR SUCH A LICENSE, THE THOROUGHBRED RACING
18 COMMISSION; OR

19 (2) FOR A PERSON WHO HOLDS A LICENSE TO CONDUCT HARNESS
20 RACING OR AN APPLICANT FOR SUCH A LICENSE, THE STANDARDBRED RACING
21 COMMISSION.

22 (C) "BENEFICIAL ownership" includes:

23 (1) record ownership;

24 (2) stock or other ownership in an entity in a chain of parent and
25 subsidiary or affiliated entities, any 1 of which participates in the capital or profits of
26 a licensee, regardless of the percentage of ownership involved;

27 (3) an interest that entitles a person to benefits substantially equivalent
28 to ownership by an agreement, relationship, or other arrangement even though the
29 person is not an owner of record; and

30 (4) unless there are special circumstances, ownership of a security by a
31 relative of an individual who lives in the home of the individual.

32 11-303.

33 (a) An applicant for a license shall submit to the executive director of the
34 APPROPRIATE Commission an application:

1 (1) in the form that the APPROPRIATE Commission requires; and

2 (2) on or before a day that the APPROPRIATE Commission sets.

3 (b) The application shall state:

4 (1) the dates of the race meetings desired;

5 (2) the maximum number of racing days desired; and

6 (3) any other information that the APPROPRIATE Commission requires.

7 11-304.

8 (a) The APPROPRIATE Commission shall issue a license to each applicant who:

9 (1) is awarded racing days in a race meeting; and

10 (2) pays the appropriate license fee.

11 (b) A license shall state:

12 (1) the dates of the race meeting awarded;

13 (2) the total number of racing days awarded; and

14 (3) the kind of racing to be held.

15 11-305.

16 A licensee is subject to all rights, regulations, and conditions that the
17 APPROPRIATE Commission sets for the calendar year in which a race meeting of the
18 licensee is held.

19 11-307.

20 (a) (1) On request of a licensee, the APPROPRIATE Commission may return
21 to the licensee a fee paid for racing on a day when the licensee fails to hold racing if:

22 (i) on that day, racing is impossible, impracticable, or inadvisable;

23 (ii) the licensee is not in default; and

24 (iii) the reason for the lack of racing is beyond the control of the
25 licensee.

26 (2) The decision of the APPROPRIATE Commission is final.

27 (b) If a licensee does not hold racing on the full number of its authorized
28 racing days because of bad weather conditions, the APPROPRIATE Commission may
29 award to the licensee replacement races or racing days.

1 11-308.

2 (a) Subject to the hearing provisions of §§ 11-309 and 11-310 of this subtitle,
3 the APPROPRIATE Commission may deny a license to an applicant or discipline a
4 licensee in accordance with this section.

5 (b) The APPROPRIATE Commission may deny a license to any applicant for
6 any reason that the APPROPRIATE Commission considers sufficient.

7 (c) (1) The APPROPRIATE Commission may reprimand any licensee or
8 suspend or revoke a license if the licensee violates:

9 (i) this title;

10 (ii) a regulation adopted under this title; or

11 (iii) a condition set by the APPROPRIATE Commission.

12 (2) The APPROPRIATE Commission shall suspend or revoke a license if
13 the applicant or licensee fails to:

14 (i) keep records and make reports of ownership of stock that are
15 required under § 11-314 of this subtitle; or

16 (ii) make a reasonable effort to get affidavits required under §
17 11-314(b) and (c) of this subtitle.

18 (d) (1) The APPROPRIATE Commission may impose a penalty not exceeding
19 \$5,000 for each racing day that the licensee is in violation of subsection (c) of this
20 section:

21 (i) instead of suspending or revoking a license under subsection
22 (c)(1) of this section; and

23 (ii) in addition to suspending or revoking a license under subsection
24 (c)(2) of this section.

25 (2) To determine the amount of the penalty imposed under paragraph (1)
26 of this subsection, the APPROPRIATE Commission shall consider:

27 (i) the seriousness of the violation;

28 (ii) the harm caused by the violation; and

29 (iii) the good faith or lack of good faith of the licensee.

30 (3) A penalty imposed on a licensee shall be paid from the licensee's
31 share of the takeout.

1 11-309.

2 (a) Except as otherwise provided in § 10-226 of the State Government Article,
3 before the APPROPRIATE Commission takes any final action under § 11-308 of this
4 subtitle, it shall give the person against whom the action is contemplated an
5 opportunity for a hearing before the Commission or, as provided under § 11-310 of
6 this subtitle, a hearing committee.

7 (b) The APPROPRIATE Commission shall give notice and hold the hearing in
8 accordance with Title 10, Subtitle 2 of the State Government Article.

9 (c) If, after due notice, the person against whom the action is contemplated
10 does not appear, nevertheless the APPROPRIATE Commission may hear and
11 determine the matter.

12 11-310.

13 (a) The APPROPRIATE Commission may delegate to a hearing committee of at
14 least 3 of its members the power to hold adjudicatory proceedings under this title,
15 including evidentiary hearings.

16 (b) (1) A unanimous decision by the hearing committee is binding and is a
17 final decision of the APPROPRIATE Commission.

18 (2) If the decision of the hearing committee is not unanimous, a de novo
19 hearing shall be conducted by the APPROPRIATE Commission.

20 11-311.

21 A party to a proceeding before the APPROPRIATE Commission who is aggrieved
22 by a final decision of the APPROPRIATE Commission in a contested case, as defined in
23 § 10-202 of the State Government Article, may take an appeal as allowed in §§
24 10-222 and 10-223 of the State Government Article.

25 11-312.

26 (a) On request of the APPROPRIATE Commission, the following individuals
27 shall give the APPROPRIATE Commission their fingerprints:

28 (1) each individual licensee;

29 (2) each individual member of an unincorporated association that is a
30 licensee;

31 (3) each officer or director of a corporation that is a licensee;

32 (4) each employee of a licensee who actively participates in the racing
33 action of the licensee; and

1 (5) each individual who actively participates in the racing action of a
2 licensee, including each agent, blacksmith, driver, apprentice jockey, jockey, manager,
3 owner, trainer, stable employee, and veterinarian.

4 (b) The fingerprints shall be taken by a representative of a law enforcement
5 agency of the State or federal government, an employee of the APPROPRIATE
6 Commission, or a qualified private security agency that the APPROPRIATE
7 Commission designates.

8 11-313.

9 (a) The APPROPRIATE Commission shall require a licensee, and each officer or
10 stockholder of a licensee, to disclose to the APPROPRIATE Commission each financial
11 interest that the person has in racing.

12 (b) On or before the 75th day following the end of a licensee's fiscal year, the
13 licensee shall submit to the APPROPRIATE Commission in the form that the
14 APPROPRIATE Commission requires:

15 (1) an itemized statement under oath for the preceding fiscal year of
16 receipts from all sources and of all expenses and disbursements, including salaries of
17 officers, attorney fees, and lobbying expenses; and

18 (2) a certified audit by a certified public accountant of the financial
19 records of the licensee for the preceding fiscal year.

20 (c) The audited statements of all licensees shall be sent to the Governor, and,
21 subject to § 2-1246 of the State Government Article, to the General Assembly.

22 (d) The Office of Legislative Audits shall audit each licensee at least once
23 every 2 years in accordance with the provisions of §§ 2-1217 through 2-1227 of the
24 State Government Article.

25 11-314.

26 (a) The APPROPRIATE Commission shall require each licensee to keep records
27 that show the beneficial ownership of the stock of the licensee, whether or not the
28 beneficial ownership is registered or stated on the stock.

29 (b) (1) The APPROPRIATE Commission shall require a licensee at least once
30 each calendar year to get by written request an affidavit from each owner of record of
31 the licensee.

32 (2) The affidavit shall state, to the best of the affiant's knowledge,
33 information, and belief:

34 (i) whether a person other than the affiant has a right of beneficial
35 ownership in the stock held in the name of the affiant;

1 (ii) the name and address of any other person who has a right of
2 beneficial ownership; and

3 (iii) the amount and nature of the beneficial ownership.

4 (c) (1) If a licensee learns that a person, other than a record owner of stock
5 in a licensee, has a beneficial ownership interest in stock of the licensee, the licensee
6 promptly shall request in writing that the person submit an affidavit within 60 days
7 to the licensee.

8 (2) The affidavit shall state to the best of the affiant's knowledge,
9 information, and belief:

10 (i) whether the affiant has a right of beneficial ownership in the
11 stock of the licensee that is described in the notice;

12 (ii) the amount and nature of the beneficial ownership;

13 (iii) whether a person other than the affiant and the record owner
14 has a right of ownership of any kind in that stock of the licensee; and

15 (iv) the amount and nature of the ownership of that stock by a
16 person other than the affiant and the record owner.

17 (d) Notwithstanding the affidavit requirements of this section, the
18 APPROPRIATE Commission may excuse the reporting of beneficial ownership that is
19 less than 2% of the licensee.

20 (e) (1) A licensee shall submit the beneficial ownership records and
21 affidavits required under this section to the APPROPRIATE Commission at least once
22 each year and at any other time that the APPROPRIATE Commission requires.

23 (2) A licensee shall report promptly to the APPROPRIATE Commission
24 each change in beneficial ownership.

25 11-315.

26 A statement required to be submitted to the APPROPRIATE Commission under §
27 11-313 or § 11-314 of this subtitle shall be under oath and signed by each officer of
28 the corporate licensee or by the owner or each partner of an unincorporated licensee.

29 11-316.

30 (a) Before a prospective buyer buys a majority controlling interest in a
31 licensee, the APPROPRIATE Commission shall review the personal and financial
32 background of the prospective buyer.

33 (b) (1) [The] EACH APPROPRIATE Commission shall adopt regulations to
34 carry out this section.

35 (2) The regulations shall:

- 1 (i) require a personal and financial background check of the
2 prospective buyer;
- 3 (ii) specify a period of time to review the required personal and
4 financial information before a purchase or transfer of racing days is made; and
- 5 (iii) require that notice and an invitation to comment be given to the
6 Legislative Policy Committee at least 15 days before final approval of a purchase or
7 transfer of racing days resulting from a purchase.

8 (3) The background check shall include:

- 9 (i) a review by a certified public accountant of certified financial
10 statements, including contingent or pledged liabilities, sufficient to determine the
11 ability of the prospective buyer to buy and maintain the licensee;
- 12 (ii) an income statement for the most recent year;
- 13 (iii) a statement of financial and related records of any person in
14 which the prospective buyer has at least a majority interest;
- 15 (iv) a disclosure of each financial interest in racing;
- 16 (v) a disclosure of each person who will have beneficial ownership
17 of the licensee as a result of the purchase;
- 18 (vi) a criminal background review; and
- 19 (vii) a character review.

20 11-317.

21 Before a license or racing days may be transferred to a buyer or a lessee of a
22 track:

- 23 (1) the Legislative Policy Committee shall have been notified at least 15
24 days before the transfer;
- 25 (2) the Legislative Policy Committee, if it has chosen to do so, shall have
26 provided comment to the APPROPRIATE Commission about the transfer; and
- 27 (3) the transfer shall have been approved by the APPROPRIATE
28 Commission.

29 11-318.

30 The APPROPRIATE Commission may require a licensee to get its approval before
31 the licensee:

- 32 (1) contracts to pay money;

1 (2) sets a salary, fee, or compensation to be paid; or

2 (3) builds, extends, or improves a track or structure on property that the
3 licensee owns or leases.

4 11-501.

5 (A) IN THIS PART, "COMMISSION" MEANS THE THOROUGHBRED RACING
6 COMMISSION ESTABLISHED UNDER § 11-201 OF THIS TITLE.

7 (B) This part applies only to mile thoroughbred racing licensees and to special
8 thoroughbred racing licensees.

9 11-507.

10 (A) IN THIS PART, "COMMISSION" MEANS THE THOROUGHBRED RACING
11 COMMISSION ESTABLISHED UNDER § 11-201 OF THIS TITLE.

12 (B) This part applies only to mile thoroughbred racing licenses and to licensees
13 who have been awarded racing days to hold mile thoroughbred racing.

14 11-523.

15 (A) In this part[,] THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

16 (B) "COMMISSION" MEANS THE THOROUGHBRED RACING COMMISSION
17 ESTABLISHED UNDER § 11-201 OF THIS TITLE.

18 (C) "State Fair Society" means the Maryland State Fair and Agricultural
19 Society, Inc.

20 11-529.

21 (a) In this part the following words have the meanings indicated.

22 (b) "Advisory Committee" means the Maryland-Bred Race Fund Advisory
23 Committee.

24 (c) "COMMISSION" MEANS THE THOROUGHBRED RACING COMMISSION
25 ESTABLISHED UNDER § 11-201 OF THIS TITLE.

26 [(c)] (D) "Fund" means the Maryland-Bred Race Fund.

27 [(d)] (E) "Fund Race" means a race funded by the Maryland-Bred Race Fund.

28 11-601.

29 (A) In this subtitle[, "average"] THE FOLLOWING WORDS HAVE THE
30 MEANINGS INDICATED.

31 (B) "AVERAGE handle" means the daily average amount bet in a year.

1 (C) "COMMISSION" MEANS THE STANDARD BRED RACING COMMISSION
2 ESTABLISHED UNDER § 11-2A-01 OF THIS TITLE.

3 11-701.

4 (A) IN THIS SUBTITLE, "COMMISSION" MEANS THE THOROUGHBRED RACING
5 COMMISSION ESTABLISHED UNDER § 11-201 OF THIS TITLE.

6 (B) This subtitle applies only to the licensee that is the Cecil County Breeders'
7 Fair, Inc., or its successor.

8 11-801.

9 The THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED RACING
10 Commission may authorize a licensee to hold racing with pari-mutuel betting.

11 11-802.

12 (a) A licensee may not lend or give money to a person for pari-mutuel betting.

13 (b) The THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED
14 RACING Commission may adopt regulations to enforce this section.

15 11-803.

16 (a) If a winning ticket is not redeemed within 1 year, the licensee into whose
17 betting pool the bet was placed shall pay the amount needed to redeem the ticket to
18 the THOROUGHBRED RACING COMMISSION OR THE STANDARD BRED RACING
19 Commission, to be credited to the Racing Facility Redevelopment Bond Fund under
20 Subtitle 12 of this title.

21 (b) Every year for the preceding calendar year, each licensee shall:

22 (1) report to the THOROUGHBRED RACING COMMISSION OR THE
23 STANDARD BRED RACING Commission the amount payable to the THOROUGHBRED
24 RACING COMMISSION OR THE STANDARD BRED RACING Commission under this
25 section; and

26 (2) pay that amount to the THOROUGHBRED RACING COMMISSION OR
27 THE STANDARD BRED RACING Commission.

28 (c) (1) The license of a licensee shall be revoked if the licensee:

29 (i) fails to report when money under this section is due; or

30 (ii) knowingly or willfully submits a report that understates the
31 amount due.

32 (2) A licensee whose license is revoked under this subsection may not
33 hold a license for at least 1 year.

1 11-804.

2 (b) [If the Commission approves, a] A licensee may contract to hold
3 pari-mutuel betting on a race that is held at an out-of-state track where betting on
4 racing is lawful WITH THE APPROVAL OF THE COMMISSION THAT LICENSED THE
5 LICENSEE.

6 (c) Pari-mutuel betting under this section may only occur:

7 (1) on a racing day when the Commission THAT LICENSES A LICENSEE
8 has authorized the licensee to hold racing; and

9 (2) (i) at the track of the licensee;

10 (ii) at any track where pari-mutuel betting on races on the racing
11 program of the licensee for that day is authorized; or

12 (iii) at a satellite simulcast facility.

13 11-804.2.

14 Notwithstanding § 11-804(c) of this subtitle, a licensee in Allegany County may
15 conduct pari-mutuel betting under § 11-804 of this subtitle on a day when the
16 Commission THAT LICENSES A LICENSEE has authorized the licensee to hold racing
17 only:

18 (1) at the track of the licensee;

19 (2) at a satellite simulcast facility:

20 (i) in which the licensee has majority ownership interest; and

21 (ii) which complies with the requirements of § 11-825(a) of this
22 subtitle; and

23 (3) at a receiving track located more than 35 miles from any of Laurel
24 Park, Pimlico Race Course, and Rosecroft Raceway.

25 11-805.

26 (a) Except for racing held by the Maryland-National Capital Park and
27 Planning Commission, [the Commission may authorize] telephone betting at any
28 track where racing is authorized MAY BE AUTHORIZED BY:

29 (1) THE THOROUGHBRED RACING COMMISSION, FOR THOROUGHBRED
30 RACING; AND

31 (2) THE STANDARD BRED RACING COMMISSION, FOR HARNESS RACING.

32 (b) The breakage and takeout on all telephone betting shall be computed in
33 the way normally applicable to pari-mutuel betting on racing the licensee holds.

1 11-808.

2 (b) The [Commission has] THOROUGHBRED RACING COMMISSION AND THE
3 STANDARDDBRED RACING COMMISSION HAVE JOINT jurisdiction over all intertrack
4 betting and other activities at a receiving track to the same extent as when live racing
5 is held at the track.

6 (c) The THOROUGHBRED RACING COMMISSION AND THE STANDARDDBRED
7 RACING Commission shall adopt A COMMON SET OF regulations to carry out this part.

8 11-809.

9 (a) On a race that a licensee holds and simulcasts to an out-of-state facility or
10 on a simulcast of a race that a licensee receives, the licensee may, with the approval
11 of the THOROUGHBRED RACING COMMISSION AND THE STANDARDDBRED RACING
12 Commission, combine bets made at the licensee's track with bets of the same type
13 made at the out-of-state facility where betting is lawful.

14 (b) This section allows the creation of common mutuel pools for calculating
15 odds and determining payouts.

16 (c) Bets made at an out-of-state facility may not be considered part of the
17 licensee's mutuel pools for any purpose other than the purpose stated in subsection (b)
18 of this section.

19 (d) For races that are held by a licensee in this State and simulcast to an
20 out-of-state facility, the takeout on bets made in this State that are commingled in a
21 common mutuel pool shall be the takeout as prescribed for the licensee by this title.

22 (e) Notwithstanding any other provision of this title governing the amount of
23 takeout, for a race that is held by an out-of-state facility and simulcast to a licensee
24 in this State, the takeout on bets made in this State that are commingled in a
25 common mutuel pool shall be, subject to the approval of the THOROUGHBRED RACING
26 COMMISSION AND THE STANDARDDBRED RACING Commission, as agreed by the
27 licensee and the out-of-state facility.

28 (f) Notwithstanding any other provision of this title governing the allocation
29 of takeout, for a race that is held by an out-of-state facility and simulcast to a
30 licensee in this State, the allocation of takeout on bets made in this State that are
31 commingled in a common mutuel pool shall be, subject to the approval of the
32 THOROUGHBRED RACING COMMISSION AND THE STANDARDDBRED RACING
33 Commission, allocated in the following manner:

34 (1) to the State for taxes on the handle of the licensee as provided under
35 this title;

36 (2) to the host racing association where live racing is conducted in an
37 amount determined by the licensee and the out-of-state facility; and

1 (3) the remainder to the licensee, the applicable pension funds created
2 by this title, purse money, and the applicable bred fund in proportion to their
3 respective shares of the takeout under this title.

4 11-811.

5 (c) [The Commission may authorize] IF AUTHORIZED BY THE
6 THOROUGHBRED RACING COMMISSION AND BY THE STANDARD BRED RACING
7 COMMISSION, intertrack betting [involving] MAY BE HELD THAT INVOLVES tracks of:

8 (1) mile thoroughbred racing licensees;

9 (2) harness racing licensees;

10 (3) Fair Hill; or

11 (4) the State Fair Society.

12 (d) The THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED
13 RACING Commission may JOINTLY authorize licensees, Fair Hill, or the State Fair
14 Society to participate in intertrack betting by operating sending tracks and receiving
15 tracks only if:

16 (1) the operators of the sending track and the receiving track submit a
17 joint application to the THOROUGHBRED RACING COMMISSION AND TO THE
18 STANDARD BRED RACING Commission;

19 (2) the [Commission holds] THOROUGHBRED RACING COMMISSION AND
20 THE STANDARD BRED RACING COMMISSION HOLD a public hearing on the matter;

21 (3) the operator of the receiving track shows to the satisfaction of the
22 THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED RACING
23 Commission that the operator has held, is holding, or will hold regularly scheduled
24 race meetings at the receiving track in accordance with a license and has complied
25 with the terms of the license; and

26 (4) the receiving track meets the requirements of subsection (e) of this
27 section, unless the [Commission has] THOROUGHBRED RACING COMMISSION AND
28 THE STANDARD BRED RACING COMMISSION HAVE JOINTLY waived them, and
29 subsection (f) of this section.

30 (e) (1) Laurel Race Course, a track where racing is conducted by the State
31 Fair Society or Rosecroft Raceway may be a receiving track only if live racing was
32 held there in the previous calendar year on at least 75% of the racing days available
33 to it.

34 (2) Ocean Downs may be a receiving track only if at least 40 days of live
35 racing were held there in the previous calendar year.

1 (3) Pimlico Race Course may be a receiving track only if at least 90 days
2 of live racing were held there in the previous calendar year.

3 (4) A track where racing is conducted by Fair Hill may be a sending track
4 only on days when Fair Hill is licensed to conduct and actually conducts live racing.

5 (5) A track in Allegany County may be a sending track:

6 (i) to any receiving track:

7 1. on days when the track is licensed to conduct and actually
8 conducts live racing; and

9 2. for live races conducted at the track; and

10 (ii) to a receiving track located more than 35 miles from any of
11 Laurel Park, Pimlico Race Course, and Rosecroft Raceway:

12 1. on any day the [Commission has] THOROUGHBRED
13 RACING COMMISSION AND THE STANDARD BRED RACING COMMISSION HAVE
14 JOINTLY authorized the licensee to hold racing; and

15 2. for simulcast races conducted at the track.

16 (6) Subject to § 11-804.2 of this subtitle, nothing in paragraph (5) of this
17 subsection shall limit the ability of a track in Allegany County to act as a sending
18 track to a satellite simulcast facility.

19 (7) A track in Allegany County may be a receiving track:

20 (i) during its opening year if it has scheduled at least 21 days of
21 live racing within 12 months of its opening and the [Commission has]
22 THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED RACING
23 COMMISSION HAVE JOINTLY granted its application to race on those days; and

24 (ii) in subsequent years if at least 21 days of live racing were held
25 at the track in the previous calendar year.

26 (8) The [Commission] THOROUGHBRED RACING COMMISSION AND THE
27 STANDARD BRED RACING COMMISSION may JOINTLY waive a requirement of this
28 subsection if the receiving track could not meet the requirement because of:

29 (i) an act of God; or

30 (ii) what the THOROUGHBRED RACING COMMISSION AND THE
31 STANDARD BRED RACING Commission finds to be an emergency.

32 11-812.

33 (a) A mile thoroughbred racing licensee operating a sending track shall pay to
34 the THOROUGHBRED RACING Commission, within 3 days after each day of intertrack

1 betting on thoroughbred racing at a receiving track, \$1,000 of the impact aid to be
2 paid to political subdivisions for intertrack betting for that day under § 11-404(c) and
3 (d) of this title.

4 (b) The licensee shall deduct from the takeout the payment under subsection
5 (a) of this section and then shall allocate the rest of the takeout in the way normally
6 applicable to racing at the sending track.

7 (c) The THOROUGHBRED RACING Commission shall pay promptly to the
8 Comptroller all money collected under this section.

9 11-816.

10 (a) The THOROUGHBRED RACING COMMISSION ACTING WITH THE
11 STANDARDDBRED RACING Commission may approve satellite simulcast facilities that
12 may conduct satellite simulcast betting.

13 (b) This part does not authorize satellite simulcast betting at or through the
14 direct use of lottery terminals in the State.

15 (c) The THOROUGHBRED RACING COMMISSION AND THE STANDARDDBRED
16 RACING Commission [has] HAVE JOINT jurisdiction over all satellite simulcast
17 betting and other activities at a satellite simulcast facility to the same extent as when
18 live racing is held by a licensee.

19 11-817.

20 (a) A person must have a permit granted by the THOROUGHBRED RACING
21 COMMISSION AND BY THE STANDARDDBRED RACING Commission whenever the
22 person holds satellite simulcast betting.

23 (b) Nothing in this Part III of this subtitle may preempt local zoning laws or
24 ordinances.

25 11-818.

26 (a) Any person may apply for a permit.

27 (b) An applicant for a permit shall submit to the executive [director of the
28 Commission] DIRECTORS OF BOTH THE THOROUGHBRED RACING COMMISSION AND
29 THE STANDARDDBRED RACING COMMISSION an application in the form that the
30 [Commission requires] COMMISSIONS REQUIRE.

31 (c) Except as provided in subsection (e) of this section, the THOROUGHBRED
32 RACING COMMISSION AND THE STANDARDDBRED RACING Commission shall conduct a
33 personal and financial background check of an applicant for a permit including:

34 (1) a review, by a certified public accountant, of the certified financial
35 statements of the applicant, including contingent or pledged liabilities, sufficient to

- 1 determine the ability of the applicant to purchase or lease, and develop and maintain
- 2 the satellite simulcast facility for which the permit is sought;
- 3 (2) an income statement of the applicant for the most recent year;
- 4 (3) a statement of financial and related records of any person in which
- 5 the applicant has at least a majority interest;
- 6 (4) a disclosure of all financial interests in horse racing and any other
- 7 legalized betting activity;
- 8 (5) the disclosure of each person who is a beneficial owner of the
- 9 applicant;
- 10 (6) with the assistance of federal, State, and local law enforcement
- 11 authorities, a criminal background review; and
- 12 (7) a character review.

13 (d) The THOROUGHBRED RACING COMMISSION WITH THE STANDARD BRED
14 RACING Commission shall adopt regulations establishing uniform procedures for
15 conducting the personal and financial background check required by this section.

16 (e) The THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED
17 RACING Commission may waive portions of the review that [it determines] THEY
18 DETERMINE to be appropriate for any applicant that is a licensee.

19 11-819.

20 The factors that the THOROUGHBRED RACING COMMISSION AND THE
21 STANDARD BRED RACING Commission shall consider in deciding whether to grant a
22 permit shall include:

- 23 (1) the needs and convenience of the public;
- 24 (2) whether the satellite simulcast facility:
 - 25 (i) would be expected to interfere unreasonably with attendance at
 - 26 tracks; and
 - 27 (ii) meets the requirements of § 11-825(a) of this subtitle;
- 28 (3) the desires of the political subdivision where the proposed satellite
- 29 simulcast facility is to be located;
- 30 (4) the interests of the racing industry; and
- 31 (5) other matters that the [Commission finds] THOROUGHBRED RACING
- 32 COMMISSION AND THE STANDARD BRED RACING COMMISSION FIND appropriate.

1 11-820.

2 (a) The THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED
3 RACING Commission shall grant a permit to each applicant whose application the
4 [Commission approves] THOROUGHBRED RACING COMMISSION AND THE
5 STANDARD BRED RACING COMMISSION APPROVE after the applicant pays the permit
6 fee that the [Commission requires] THOROUGHBRED RACING COMMISSION AND THE
7 STANDARD BRED RACING COMMISSION REQUIRE.

8 (b) A permit shall state the specific location where the permit applies.

9 (c) If the [Commission approves] THOROUGHBRED RACING COMMISSION
10 AND THE STANDARD BRED RACING COMMISSION APPROVE, an applicant for a permit
11 may change the location for which a satellite simulcast facility is being applied.

12 11-822.

13 (a) The THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED
14 RACING Commission shall set the term of each permit.

15 (b) If the [Commission approves] THOROUGHBRED RACING COMMISSION
16 AND THE STANDARD BRED RACING COMMISSION APPROVE, a permit may be
17 transferred to another person if:

18 (1) the satellite simulcasting facility remains at the same location; and

19 (2) the person complies with all regulations of the THOROUGHBRED
20 RACING COMMISSION AND THE STANDARD BRED RACING Commission established
21 under § 11-316 of this title for the purchase or transfer of an entity licensed to
22 conduct racing.

23 11-825.

24 (a) A satellite simulcast facility:

25 (1) shall be in premises owned or leased by a permit holder;

26 (2) may not be within a 35-mile radius of any mile thoroughbred track or
27 harness track unless approved by the track licensee, the group that represents a
28 majority of the applicable owners and trainers licensed in the State and the group
29 that represents a majority of the applicable breeders in the State, considered
30 separately;

31 (3) unless the track agrees otherwise, may not operate during hours on
32 those days that racing with pari-mutuel betting is permitted at a racetrack located in
33 this State within a 35-mile radius of the satellite simulcast facility; and

34 (4) shall offer pari-mutuel betting facilities and amenities that the
35 [Commission finds] THOROUGHBRED RACING COMMISSION AND THE
36 STANDARD BRED RACING COMMISSION FIND are:

1 (i) comparable to those available in the sports palace facilities of
2 the mile thoroughbred racing licensees including:

3 1. high quality dining, lounge, and seating areas that are of a
4 manner generally found in fine restaurants; and

5 2. teletheatre screen capacity; and

6 (ii) appropriate for the area where the satellite simulcast facility is
7 located.

8 (b) A mile thoroughbred racing licensee or a harness racing licensee shall own
9 or lease the pari-mutuel betting equipment at a satellite simulcast facility and shall,
10 with its employees, operate the equipment.

11 (c) A mile thoroughbred racing licensee or a harness racing licensee shall
12 submit to the THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED
13 RACING Commission all contracts and agreements relating to satellite simulcast
14 betting under this subtitle.

15 (d) (1) The THOROUGHBRED RACING COMMISSION AND THE
16 STANDARD BRED RACING Commission shall periodically be assured by permit holders
17 that facilities continue to meet the requirements of this section.

18 (2) (i) The THOROUGHBRED RACING COMMISSION AND THE
19 STANDARD BRED RACING Commission shall inspect satellite simulcast facilities at
20 least four times each year to determine if the permit holders are continuing to comply
21 with the provisions of this section.

22 (ii) The inspections under this subsection shall include evaluations
23 of the financial and physical conditions of each satellite simulcast facility.

24 (3) If the THOROUGHBRED RACING COMMISSION AND THE
25 STANDARD BRED RACING Commission finds that a permit holder is not complying
26 with the provisions of this section, the THOROUGHBRED RACING COMMISSION AND
27 THE STANDARD BRED RACING Commission may impose a penalty on the permit
28 holder similar to those penalties levied on licensees as provided under § 11-308 of this
29 title.

30 11-829.

31 Except for betting on races of national or international prominence which have
32 been approved by the THOROUGHBRED RACING COMMISSION AND THE
33 STANDARD BRED RACING Commission, satellite simulcast betting may not be
34 conducted:

35 (1) on any day other than Sunday between 1:30 a.m. and 10:00 a.m.; and

36 (2) between 1:30 a.m. and 11:00 a.m. on Sunday.

1 11-831.

2 The THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED RACING
3 Commission shall include in [its] THEIR annual [report] REPORTS to the Legislative
4 Policy Committee of the Maryland General Assembly:

5 (1) the effect of satellite simulcast betting on the racing industry in the
6 State;

7 (2) an appraisal of each permit holder, taking into consideration the
8 results of inspections required under this section and any financial information that
9 is submitted to the THOROUGHBRED RACING COMMISSION OR THE STANDARD BRED
10 RACING Commission;

11 (3) if any additional permit has been granted under this section:

12 (i) the reasons for granting the permit; and

13 (ii) the anticipated impact of the new facility on existing permit
14 holders and racing licensees; and

15 (4) if an application for a permit or permit renewal has been denied:

16 (i) the reasons for denying the permit or renewal; and

17 (ii) the impact on racing licensees if the THOROUGHBRED RACING
18 COMMISSION AND THE STANDARD BRED Racing Commission denied a permit renewal
19 application.

20 11-832.

21 The THOROUGHBRED RACING COMMISSION WITH THE STANDARD BRED RACING
22 Commission shall adopt regulations to:

23 (1) define the criteria for applicants for a satellite simulcast betting
24 permit, which may include a nonrefundable application fee;

25 (2) define allowable costs of operations under § 11-827 of this part; and

26 (3) otherwise carry out this part.

27 11-904.

28 (b) The Board of Directors of the Jockey Fund consists of [the members of the
29 Commission]:

30 (1) 3 MEMBERS OF THE THOROUGHBRED RACING COMMISSION; AND

31 (2) 2 MEMBERS OF THE STANDARD BRED RACING COMMISSION.

1 11-906.

2 (a) (1) The THOROUGHBRED RACING COMMISSION WITH THE
3 STANDARDDBRED RACING Commission shall assess each licensed owner and licensed
4 trainer of a thoroughbred horse an amount sufficient to pay the cost of workers'
5 compensation insurance that the Jockey Fund gets.

6 (2) The THOROUGHBRED RACING COMMISSION AND THE
7 STANDARDDBRED RACING Commission shall pay each assessment that the
8 THOROUGHBRED RACING COMMISSION AND THE STANDARDDBRED RACING
9 Commission collects under this subsection to the Jockey Fund.

10 (b) (1) The THOROUGHBRED RACING COMMISSION AND THE
11 STANDARDDBRED RACING Commission shall suspend or revoke the license of each
12 owner or trainer who fails to pay the assessment under subsection (a)(1) of this
13 section.

14 (2) The THOROUGHBRED RACING COMMISSION AND THE
15 STANDARDDBRED RACING Commission may not reinstate or renew the license of the
16 owner or trainer during the period of default.

17 11-909.

18 (a) There is a Maryland Standardbred Horsemen's Assistance Fund, Inc., and
19 a Maryland Horsemen's Assistance Fund, Inc.

20 (b) The clerk of the course at each thoroughbred track and at each harness
21 track shall:

22 (1) collect each overpayment on a tote machine and each fine and
23 penalty that is not imposed on a licensee; and

24 (2) pay that money to the STANDARDDBRED RACING Commission within
25 10 days after the close of each race meeting.

26 (c) The STANDARDDBRED RACING Commission shall pay the money collected
27 under subsection (b) of this section from each harness track to the Maryland
28 Standardbred Horsemen's Assistance Fund, Inc., and the money collected from each
29 thoroughbred track to the Maryland Horsemen's Assistance Fund, Inc., on or before
30 December 31 of each year, if the STANDARDDBRED RACING Commission is satisfied
31 that:

32 (1) the recipient fund is operated entirely for the charitable purposes
33 consistent with the interests of racing; and

34 (2) money that the STANDARDDBRED RACING Commission sends to a
35 recipient fund or net earnings of a recipient fund is not used for the benefit of a
36 director, member, or officer of that fund, or for the benefit of any private individual
37 who is not an object of the charitable purposes of that fund.

1 11-1202.

2 (a) There is a Maryland Racing Facility Redevelopment Program.

3 (b) To carry out the Program, the THOROUGHBRED RACING COMMISSION AND
4 THE STANDARD BRED RACING Commission:

5 (1) shall review, in accordance with the provisions of § 11-1203 of this
6 subtitle, racing facility master plans that eligible racing licensees submit under §
7 11-1203(a) of this subtitle; and

8 (2) shall submit to the Authority for approval under §§ 11-1204 and
9 11-1207 of this subtitle, requests from eligible racing licensees to use proceeds from
10 bonds issued by the Maryland Economic Development Corporation for capital
11 improvements or related expenditures.

12 11-1203.

13 (a) Before receiving assistance under § 11-1204 of this subtitle for a specific
14 capital improvement or expenditure, an eligible racing licensee shall submit for
15 approval to the THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED
16 RACING Commission a racing facility master plan.

17 (b) The THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED
18 RACING Commission shall approve an eligible racing licensee's racing facility master
19 plan if:

20 (1) the THOROUGHBRED RACING COMMISSION AND THE
21 STANDARD BRED RACING Commission finds that the plan is in the best interest of
22 racing in the State;

23 (2) the applicant submits a statement that the plan meets applicable
24 land use laws and regulations;

25 (3) for Pimlico Race Course in Baltimore City, the applicant submits a
26 statement that the plan meets the requirements of the Baltimore City Planned Unit
27 Development Ordinance 75-977;

28 (4) the applicant submits a feasibility study of the proposed
29 improvements and related expenditures, including impact on betting and revenues at
30 the racing facility;

31 (5) the applicant provides information on the amount of expenditures
32 related to the improvements that will be paid to minority business enterprises and
33 commits to a minority participation goal of at least 14% of the amount of the
34 contracts;

35 (6) the Authority has reviewed the master plan and the applicant has
36 responded to the issues raised by the Authority to the reasonable satisfaction of the
37 Commission;

1 (7) the THOROUGHBRED RACING COMMISSION AND THE
2 STANDARDDBRED RACING Commission finds, if the applicant is a mile thoroughbred
3 licensee, that the master plan, including the applicant's marketing plan, satellite
4 simulcast betting facilities plan, budget and schedule for improvements, and
5 financing plan for improvements, is reasonable;

6 (8) the applicant, if the applicant is a mile thoroughbred licensee, has
7 demonstrated to the reasonable satisfaction of the THOROUGHBRED RACING
8 COMMISSION AND THE STANDARDDBRED RACING Commission that it will have
9 sufficient funds to enable it to meet the licensee's approved payment schedule for
10 improvements;

11 (9) (i) the applicant, if the applicant is a mile thoroughbred licensee,
12 demonstrates to the reasonable satisfaction of the THOROUGHBRED RACING
13 COMMISSION AND THE STANDARDDBRED RACING Commission that the applicant and
14 its affiliates have spent, or are contractually obligated to spend, \$9.5 million on
15 improvements between January 1, 1999 and the time bonds are issued by the
16 Corporation; and

17 (ii) the applicant submits with the master plan the audit report
18 required under subsection (c) of this section to verify the amount that is spent and
19 contractually obligated to be spent on improvements; and

20 (10) the applicant demonstrates that the improvements to racing facilities
21 under the master plan will be completed within 5 years from the time bonds are
22 issued by the Corporation.

23 (c) If the master plan is approved by the THOROUGHBRED RACING
24 COMMISSION AND THE STANDARDDBRED RACING Commission, and proceeds from the
25 sale of bonds sufficient to accomplish the plan are made available, the licensee shall:

26 (1) implement the master plan, unless the licensee is prevented from
27 doing so by circumstances beyond its reasonable control; and

28 (2) submit to the THOROUGHBRED RACING COMMISSION AND THE
29 STANDARDDBRED RACING Commission, Authority, and Corporation, with the audit
30 required under § 11-313(b)(2) of this title, an independent audited annual report by
31 an auditor approved by the THOROUGHBRED RACING COMMISSION AND THE
32 STANDARDDBRED RACING Commission of the expenditures made pursuant to the
33 master plan and § 11-1204(c)(2), including expenditures made by the licensee as
34 described under § 11-1203(b)(9).

35 (d) If the [Commission disapproves] THOROUGHBRED RACING COMMISSION
36 AND THE STANDARDDBRED RACING COMMISSION DISAPPROVE a master plan, the
37 Commission shall state findings of fact for the disapproval.

38 (e) If a master plan is disapproved, the licensee may address the
39 [Commission's] stated reasons OF THE THOROUGHBRED RACING COMMISSION AND
40 THE STANDARDDBRED RACING COMMISSION for disapproval and re-submit the plan.

1 (f) Upon application by the licensee, the THOROUGHBRED RACING
2 COMMISSION AND THE STANDARD BRED RACING Commission may approve
3 amendments to the plan subject to the provisions of this section.

4 (g) The Corporation may release funds to an eligible licensee only after the
5 licensee complies with the provisions of §§ 11-1204 and 11-1207 of this subtitle.

6 (h) The Corporation may issue a bond after the THOROUGHBRED RACING
7 COMMISSION AND THE STANDARD BRED RACING Commission [notifies] NOTIFY the
8 Corporation that a racing facility master plan has been approved.

9 (i) (1) If the Corporation [and], the THOROUGHBRED RACING
10 COMMISSION, AND THE STANDARD BRED RACING Commission find, at any time, that
11 the licensee is not in compliance with the master plan approved by the
12 THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED RACING
13 Commission under this section or the expenditures required under § 11-1204 of this
14 subtitle, the THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED
15 RACING Commission may direct the Corporation:

16 (i) not to issue additional bonds for that licensee until the licensee
17 is in compliance with the applicable requirements; and

18 (ii) to reduce, in an amount proportionate to the licensee's degree of
19 noncompliance with the licensee's financial obligations, the amount of assistance
20 available to the licensee that is attributable to the licensee's takeout allocation under
21 § 11-515 of this title and the licensee's share of uncashed pari-mutuel tickets credited
22 to the Fund under § 11-803 of this title.

23 (2) If the Corporation [and], the THOROUGHBRED RACING
24 COMMISSION, AND THE STANDARD BRED RACING Commission find the licensee has
25 failed to comply under paragraph (1) of this subsection, the THOROUGHBRED RACING
26 COMMISSION AND THE STANDARD BRED RACING Commission shall notify the
27 licensee, state findings of fact, and provide the licensee an opportunity to cure the
28 deficiency within a reasonable time.

29 11-1206.

30 (a) There is a Racing Facility Redevelopment Bond Fund.

31 (b) The Corporation shall use the Fund as a nonlapsing revolving fund for
32 carrying out the provisions of this subtitle relating to racing facilities.

33 (c) All of the following receipts of the THOROUGHBRED RACING COMMISSION
34 AND THE STANDARD BRED RACING Commission shall be placed in the Fund:

35 (1) the takeout allocation under §§ 11-515 and 11-515.3 of this title from
36 mile thoroughbred licensees;

37 (2) the takeout allocation under § 11-616 of this title from harness
38 licensees;

1 (3) effective July 1, 2001 and subject to the provisions of subsection (d) of
2 this section, money from uncashed pari-mutuel tickets paid by licensees to the
3 THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED RACING
4 Commission under § 11-803 of this title; and

5 (4) any other revenue, gift, donation, or other source under a written
6 agreement between the eligible licensees and the Corporation.

7 (d) (1) To the extent deemed appropriate by the Corporation, the receipts of
8 the Fund shall be pledged to and charged with the payment of:

9 (i) debt service on Corporation bonds for racing facilities;

10 (ii) all reasonable charges and expenses related to Corporation
11 borrowing and the management of Corporation obligations related to racing facilities;
12 and

13 (iii) all reasonable charges and expenses related to the Authority's
14 review of racing facilities pursuant to the provisions of this subtitle.

15 (2) Beginning July 1, 2002 and annually thereafter, to the extent deemed
16 appropriate by the Corporation, the receipts of the Fund related to uncashed
17 pari-mutuel tickets under subsection (c)(3) of this section that are not needed to pay
18 the costs under paragraph (1) of this subsection shall be paid to the THOROUGHBRED
19 RACING COMMISSION AND THE STANDARD BRED RACING Commission to be credited
20 to the Racing Special Fund established under § 11-401 of this title.

21 (e) (1) The Fund shall be invested and reinvested by the Treasurer in the
22 same manner as State funds.

23 (2) Any investment earnings shall be transferred to the credit of the
24 Fund.

25 (f) (1) In the event bonds for the redevelopment of racing facilities are not
26 issued by the Corporation by July 1, 2002, or a later date mutually agreed to by the
27 THOROUGHBRED RACING COMMISSION, THE STANDARD BRED RACING Commission,
28 Corporation, and the applicable licensee:

29 (i) the applicable licensee shall notify the Corporation of its intent
30 to use the receipts of the Fund attributable to the takeout allocation under §§ 11-515,
31 11-515.3, and 11-616 of this title; and

32 (ii) subject to paragraph (2) of this subsection, the funds shall be
33 made available to the applicable licensee in proportion to the amount contributed by
34 each licensee.

35 (2) (i) Funds that are made available to a mile thoroughbred licensee
36 under paragraph (1) of this subsection that are attributable to the takeout allocation
37 under § 11-515 of this title shall be used by the licensee for improvements approved

1 by the THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED RACING
2 Commission pursuant to a plan submitted by the licensee.

3 (ii) In the plan required under this paragraph, the licensee shall
4 demonstrate that the licensee and its affiliates will spend in each year for which
5 assistance is made available under this subsection:

6 1. the average annual amount spent for marketing and
7 promotion by the licensee and its affiliates for the calendar years 1993 through 1997;
8 and

9 2. an amount equal to the funds made available to the
10 licensee and its affiliates under this subsection.

11 (3) If the [Commission finds] THOROUGHBRED RACING COMMISSION
12 AND THE STANDARD BRED RACING COMMISSION FIND that a licensee is not in
13 compliance with the requirements of paragraph (2) of this subsection, the
14 THOROUGHBRED RACING COMMISSION AND THE STANDARD BRED RACING
15 Commission:

16 (i) may direct the Corporation not to make funds available to the
17 licensee; and

18 (ii) shall notify the licensee, state findings of fact, and provide the
19 licensee an opportunity to cure the deficiency within a reasonable time.

20 (g) No funds may be made available to licensees under subsection (f) of this
21 section after June 30, 2016.

22 (h) Nothing in this section may be construed to limit or alter the powers
23 granted to the Corporation by law.

24 11-1207.

25 (a) Before a licensee may receive any assistance under this subtitle, the
26 Authority shall review and determine whether to approve or disapprove all capital
27 improvements of an eligible racing licensee which are funded in whole or in part by
28 proceeds from bonds issued by the Corporation.

29 (b) Approval by the Authority shall be given if the following conditions are
30 met:

31 (1) the proposed capital improvements are consistent with the master
32 plan approved by the THOROUGHBRED RACING COMMISSION AND THE
33 STANDARD BRED RACING Commission;

34 (2) the eligible racing licensee has established procedures approved by
35 the Authority to ensure a competitive price for construction contracts;

1 (3) the Authority has reviewed and approved the eligible racing
2 licensee's design fees and documents and the licensee's budget for the proposed
3 capital improvements;

4 (4) the eligible racing licensee has taken into account the Authority's
5 input with respect to value-engineering; and

6 (5) the eligible racing licensee has provided the Authority with evidence,
7 satisfactory to the Authority, that the licensee's improvements are in compliance with
8 all applicable building laws, rules, and regulations, including the Americans with
9 Disabilities Act.

10 (c) The Authority shall be reimbursed by the Corporation from the Fund for
11 its actual costs in performing the reviews required under this subtitle.

12 11-1208.

13 (a) Beginning July 1, 2001, notwithstanding § 9-120 of the State Government
14 Article and subject to subsection (b) of this section, lottery funds that would otherwise
15 be distributed to the General Fund under § 9-120(b)(1)(ii) of the State Government
16 Article shall be credited to the Special Fund established under § 11-401 of this article
17 if payments are made to the Racing Facility Redevelopment Bond Fund under §
18 11-803 of this title, unless otherwise provided in the budget.

19 (b) The lottery funds shall be credited only in the amount of the payment to
20 the Racing Facility Redevelopment Bond Fund under § 11-803 of this title less the
21 amount of any repayment to THE THOROUGHBRED RACING COMMISSION AND THE
22 STANDARDBRED RACING Commission by the Corporation under § 11-1206(d) of this
23 subtitle.

24 SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the initial
25 members of the Thoroughbred Racing Commission and the terms of the initial
26 members of the Standardbred Racing Commission shall expire as follows:

27 (1) 2 members on July 1, 2005;

28 (2) 2 members on July 1, 2004; and

29 (3) 1 member on July 1, 2003.

30 SECTION 3. AND BE IT FURTHER ENACTED, That any person who is
31 licensed or holds a permit to hold a race meeting , satellite simulcast betting, or any
32 other activity authorized under Title 11 of the Business Regulation Article on or
33 before the effective date of this Act need not obtain a new license or permit under this
34 Act until the existing license or permit expires, but shall be subject to all other
35 provisions of this Act, including all restrictions and requirements that apply to
36 licensees and holders of permits under this Act.

37 SECTION 4. AND BE IT FURTHER ENACTED, That:

1 (a) all property of any kind, including personal property, records, fixtures,
2 appropriations, credits, assets, liabilities, obligations, rights, and privileges, held by
3 the State Racing Commission or by any unit of the Commission, shall be and hereby
4 are transferred to the Thoroughbred Racing Commission or the Standardbred Racing
5 Commission, whichever is the more appropriate;

6 (b) except as otherwise provided by law, all contracts, agreements, grants, or
7 other obligations entered into before October 1, 2002 by the State Racing Commission
8 and which by their terms are to continue in effect on or after October 1, 2002, shall be
9 valid, legal, and binding obligations of the Thoroughbred Racing Commission or the
10 Standardbred Racing Commission, whichever is the more appropriate; and

11 (c) any transaction affected by any change of nomenclature under this Act,
12 and validly entered into before October 1, 2002, and every right, duty, or interest
13 flowing from the transaction, remains valid on and after October 1, 2002 as if the
14 change of nomenclature had not occurred.

15 SECTION 5. AND BE IT FURTHER ENACTED, That all employees who are
16 transferred to the Thoroughbred Racing Commission or to the Standardbred Racing
17 Commission from the State Racing Commission upon the implementation of this Act
18 shall be so transferred without diminution of their rights, benefits, or employment or
19 retirement status.

20 SECTION 6. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 July 1, 2002.